
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 9.29.2009

Wall Street Journal: "FDIC Prepayment Likely for Banks ... The Federal Deposit Insurance Corp. is expected to propose Tuesday that the bulk of the banking industry prepay three years' worth of fees to replenish the fund that insures trillions of dollars of customers' deposits, people familiar with the matter said."

Wall Street Journal: "SEC Weighs New Rules for Lending of Securities ... Securities regulators are exploring new regulations for the multitrillion-dollar securities-lending market, the first major step regulators have taken in the area in decades."

Wall Street Journal: "Subprime Uncle Sam ... The Treasury has announced new "capital cushion" requirements for financial institutions to reduce excessive risk and prevent taxpayer bailouts. Seems sensible enough. Perhaps the Administration will even impose those safety and soundness standards on federal agencies."

Wall Street Journal: "Foes Take on 'Uptick' Rule ... Big Wall Street firms from Vanguard Group Inc. to Goldman Sachs Group Inc. are lining up against new rules to restrict short-selling under consideration by the Securities and Exchange Commission."

The Washington Post: "More Help Coming To Clean Up Crisis ... The Obama administration is close to rolling out two initiatives aimed at addressing lingering problems from the financial crisis: A long-delayed effort to cleanse financial firms of their toxic assets, and a \$35 billion plan to prop up state programs that help lower-income borrowers get affordable mortgages."

The Washington Post: "It's Crunch Time: The Fight to Fix the Financial System Comes Down to This ... The next couple of months will be crucial in determining the shape of the financial system for decades to come. And so far, the signs are not encouraging."

The Washington Post: "World Bank Chief Leery of More Fed Power ... The head of the World Bank said Monday that the U.S. Treasury Department should be given more authority for financial regulation as he waded into the debate over how the federal government should oversee the banking system."

NY Times: "World Bank Head Sees Dollar's Role Diminishing ... The president of the World Bank said on Monday that America's days as an unchallenged economic superpower might be numbered and that the dollar was likely to lose its favored position as the euro and the Chinese renminbi assume bigger roles."

USA Today: "Anger at bank overdraft fees gets hotter, bigger and louder ... Controversial bank account fees, which have fattened banks' bottom lines at the expense of vulnerable consumers, are rapidly becoming a black eye for the industry."

USA Today: "FDIC expected to require banks to prepay fees ... The Federal Deposit Insurance Corp. is expected to take the unprecedented step of collecting billions of dollars in banks' regular premiums early to shore up the shrinking deposit insurance fund."

The Washington Times: "Dollar's days of dominance may end ... World Bank President Robert B. Zoellick warned Monday that, with foreign economic powers rising quickly on the world stage, time is running out for the privileged role enjoyed by the American currency."

The Washington Times: "FDIC mulls banks coverage ... The Federal Deposit Insurance Corp. may take the unprecedented step of ordering banks to prepay about \$36 billion in premiums to shore up the shrinking deposit insurance fund."

Bloomberg: "Banker-Pay Limits May Hurt Most at Citigroup, Bank of America ... Citigroup Inc., Bank of America Corp. and smaller banks seeking to attract talent and regain ground on stronger peers may face a new obstacle from the global push to rein in executive pay."

Bloomberg: "Volcker Says China's Rise Highlights Relative U.S. Decline ... Former Federal Reserve chairman Paul Volcker said the rise of China and other emerging economies has underscored a decline in the comparative economic and intellectual leadership of the U.S."

Bloomberg: "Blame Barney Frank If a Pool Isn't in Your Future: Amity Shlaes ... Home buyers are infants. They can't think ahead and don't try to."

Real Clear Markets: "The Fed Continues to Operate Blindly ... For those who'd been optimistic that Federal Reserve officials might eventually wake up to the true nature of inflation, last week's FOMC meeting likely dashed all hope."

Newsweek: "The Premature Exit ... William Mcchesney Martin, America's longest-serving central banker, once quipped that it's the job of the Federal Reserve to "take away the punch bowl just as the party gets going."

The Hill: "TARP \$700B growing deep roots a year after Congress passed it ... The effects of the government's \$700 billion bailout of the financial industry may last for years, even as lawmakers push to end the controversial program before 2010."